

ABSTRACT

An auction service is provided that stimulates competition between energy suppliers (i.e., electric power or natural gas). A bidding moderator (Moderator) receives offers from competing suppliers specifying the economic terms each is willing to offer to end users for estimated quantities of electric power or gas supply (separate auctions). Each supplier receives feedback from the Moderator based on competitors' offers and has the opportunity to adjust its own offers down or up, depending on whether it wants to encourage or discourage additional energy delivery commitments in a particular geographic area or to a particular customer group. Each supplier's offers can also be changed to reflect each supplier's capacity utilization. The Moderator selects at least two suppliers to provide energy to each end user, with each supplier providing a portion of the energy to be used by each end user at an end-user facility during a specific future time interval.